

022 - PREPAID PENSION OBLIGATION

Operational Summary

Description:

The Taxable Pension Obligation Bonds, Series 2007 were issued in January 2007 in the amount of \$211,065,000. The County was given an opportunity to pre-pay its FY 07-08 employer pension contribution at a discounted rate. In January 2007, the County prepaid its FY 07-08 contribution. The Bonds were issued to pre-pay the County's Unfunded Accrued Actuarial Liability (UAAL) and Normal Cost portions of its FY 07-08 employer contributions.

The Bonds are taxable, fixed rate obligations priced at a spread to LIBOR with a maturity date of June 30, 2008.

The Bonds were purchased by the Orange County Treasurer for investment in the County's Investment Pool. Interest will accrue until July 1, 2007, when the Fiscal Year 2007-08 payroll contributions are scheduled to begin, and then interest will be paid monthly to the Treasurer.

At a Glance:

Total FY 2006-2007 Projected Expend + Encumb:	211,062,001
Total Recommended FY 2007-2008	0
Percent of County General Fund:	0%
Total Employees:	0.00

FY 2006-07 Key Project Accomplishments:

- In January 2007, the County prepaid its Fiscal Year 2007-08 employer pension contribution a discounted rate.

Budget Summary

Proposed Budget History:

Sources and Uses	FY 2005-2006	FY 2006-2007	FY 2006-2007	FY 2007-2008	Change from FY 2006-2007	
	Actual	Budget As of 3/31/07	Projected ⁽¹⁾ At 6/30/07	Recommended	Projected Amount	Percent
Total Revenues	105,990,520	240,000,000	211,065,000	0	(211,065,000)	-100.00
Total Requirements	105,952,450	240,000,000	211,062,001	0	(211,062,001)	-100.00
Net County Cost	(38,070)	0	(2,999)	0	2,999	-100.00

(1) Requirements include prior year encumbrance and expenditures. Therefore, the above totals may not match FY 2006-07 projected requirements included in "At a Glance" (Which exclude these).

Columns may not total correctly due to rounding.

Detailed budget by expense category and by activity is presented for agency: Prepaid Pension Obligation in the Appendix on page A524

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Summary of Proposed Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2005-2006		FY 2006-2007		FY 2006-2007		FY 2007-2008		Change from FY 2006-2007	
	Actual		Budget		Projected ⁽¹⁾		Recommended		Projected	
			As of 3/31/07		At 6/30/07				Amount	Percent
Other Financing Sources	\$	105,990,520	\$	240,000,000	\$	211,065,000	\$	0	\$(211,065,000)	-100.00%
Total Revenues		105,990,520		240,000,000		211,065,000		0	(211,065,000)	-100.00
Other Charges		105,952,450		351,190,520		322,580,725		222,368,080	(100,212,645)	-31.07
Intrafund Transfers		0		(111,190,520)		(111,518,724)		(222,368,080)	(110,849,356)	99.40
Total Requirements		105,952,450		240,000,000		211,062,001		0	(211,062,001)	-100.00
Net County Cost	\$	(38,070)	\$	0	\$	(2,999)	\$	0	2,999	-100.00%

(1) Requirements include prior year encumbrance and expenditures. Therefore, the above totals may not match FY 2006-07 projected requirements included in "At a Glance" (Which exclude these).

Columns may not total correctly due to rounding.